



SBA Information Notice

TO: All SBA Employees

CONTROL NO.: 5000-1107

SUBJECT: Implementation of new SBA loan
program: America's Recovery
Capital (ARC) Loan Program

EFFECTIVE: 6-8-2009

America's Recovery Capital (ARC) Loan Program is a new temporary guaranteed-loan program authorized by the American Recovery and Reinvestment Act of 2009 (the Recovery Act). ARC Loans provide small businesses access to the capital needed to drive economic recovery and to retain and create jobs.

ARC Loans are deferred-payment loans of up to \$35,000 available through SBA's 7(a) participating lenders. Potential borrowers are viable, for-profit small businesses located in the United States that need short-term help to make their principal and interest payments on existing, qualifying loans. ARC Loans are interest-free to the borrower, 100% guaranteed by SBA to the lender, and have no fees associated with them. SBA pays the interest to the SBA 7(a) lender making the loan. ARC Loan funds are to be used for payments of principal and interest for up to six months on existing, qualifying small business loans.

Participating lenders may begin submitting ARC Loan applications to SBA on June 15, 2009. Delegated lenders are to submit their applications through e-tran unless the application is ineligible to be submitted under delegated authority. For non-delegated lenders (and for applications that are ineligible to be submitted under delegated authority), applications are to be submitted to the Standard 7a Loan Guaranty Processing Center (LGPC). Instructions on submitting applications to LGPC are found at www.sba.gov/aboutsba/sbaprograms/elending/lgpc.

The ARC Loan Program regulations are being published in the Federal Register on June 9, 2009, and are available for public inspection today at the following link: www.archives.gov/federal-register/public-inspection.

The ARC Loan Program Procedural Guide is available at the [ARC Loan Information for Lenders](#) webpage.

The new borrower and lender forms for ARC loans are available at www.sba.gov/tools/Forms/smallbusinessforms/fsforms. (Links to these forms are also provided at the ARC Loan Information for Lenders webpage.) The following is a listing of the new forms:

Borrower Form:

- SBA Form 2315: America's Recovery Capital (ARC) Borrower Information Form (required to be completed by each proprietor, partner, officer, director,

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete
Must be accompanied by SBA Form 58

holder of 20% or more of voting stock of a corporate applicant, and any other person, including a hired manager, who has authority to speak for and commit the borrower in the management of the applicant business.)

Lender Forms:

- SBA Form 2316 (Part A): America's Recovery Capital (ARC) Loan Guaranty Request (required to be completed for non-delegated processing)
- SBA Form 2316 (Part B): Lender's Supplemental Information for America's Recovery Capital (ARC) Loan Guaranty Request (required to be completed by all lenders either by submitting the completed form (non-delegated processing) or by completing the form through e-tran (delegated processing))
- SBA Form 2316 (Part C): Eligibility Information Required for America's Recovery Capital (ARC) Loan Submission (required to be completed by all lenders). The form must be submitted to SBA for non-delegated processing. For delegated processing, lenders must complete the form and place it in the borrower's loan file to be made available upon SBA's request.

The new ARC authorization will be available shortly at www.sba.gov/aboutsba/sbaprograms/elending, then click on "Authorizations" to locate the new ARC loan authorization.

In addition, SBA has created a new webpage for participating lenders at www.sba.gov/aboutsba/sbaprograms/elending/RECOVERY_INFO_LENDERS.html entitled ARC Loan Information for Lenders. This webpage includes hyperlinks to the Lenders ARC Loan Fact Sheet, ARC Loan Program Procedural Guidance, and ARC Loan borrower and lender forms.

A Federal Register notice setting the interest rate on ARC Loans will be published in the [federal register](#) this week.

Lenders or potential borrowers who have questions should contact their local SBA district office. A listing of local district offices may be found at www.sba.gov, then go to "Local Resources" to click on "[District Offices](#)."

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